

Commonwealth of Kentucky
Division for Air Quality
RESPONSE TO COMMENTS

ON THE TITLE V DRAFT PERMIT V-06-016
TransMontaigne Product Services, Inc. – Paducah Terminal
233 Elizabeth Street
Paducah, KY 42003
July 17, 2006
Ralph Gosney, P.E., Reviewer
SOURCE I.D. #: 021-145-00052
SOURCE A.I. #: 3071
ACTIVITY #: APE20040002

SOURCE DESCRIPTION:

TransMontaigne Product Services, Inc. (TransMontaigne) operates a bulk gasoline terminal located in Paducah, Kentucky (Paducah/Cairo area), identified as the Paducah Terminal. The terminal is comprised of two (2) distinct terminal operations identified by the permittee as the Paducah Terminal and the Riverway Terminal. The terminal complex dispenses: diesel fuel, conventional gasoline, resin oil No.80, and jet A/kerosene. Currently, the terminal complex is using 13 internal floating roof storage tanks for gasoline, with each tank being constructed prior to 1972. Six (6) existing diesel (low VP petroleum product) storage tanks are also used at the complex. Please refer to Section C - INSIGNIFICANT ACTIVITIES of the draft permit for a list of these facilities. Two loading racks are in operation. A two-bay unit with eleven (11) loading arms is located at the Paducah facility and a unit with fourteen (14) loading arms is located at the Riverway facility. The gasoline loading racks at both the Paducah and Riverway facilities are controlled by a 95% efficient John Zinc Vapor Combustion Unit (VCU). The VCU is located at the Paducah facility. The terminal complex currently processes 430,031,340 gallons/year of conventional gasoline, 414,265,450 gallons/year of distillate and 70,000,000 gallons/year of distillate for barge loading. As defined by TransMontaigne distillate shall consist of Diesel Fuel, Resin Oil No. 80 and Jet A/Kerosene at the Paducah terminal, and Diesel Fuel at the Riverway terminal.

PUBLIC AND U.S. EPA REVIEW:

On June 14, 2006, the public notice on availability of the draft permit and supporting material for comments by persons affected by the plant was published in the *Paducah Sun* in Paducah, Kentucky. The public comment period expired 30 days from the date of publication.

Comment received

Comments were received from TransMontaigne on June 20, 2006. Attachment A to this document lists the comments received and the Division's response to each comment. Minor changes were made to the permit as a result of the comments received, however, in no case were any emissions standards, or any monitoring, recordkeeping or reporting requirements relaxed. Please see Attachment A for a detailed explanation of the changes made to the permit. The U.S. EPA has 45 days to comment on this proposed permit.

ATTACHMENT A

Response to Comments

Comments on TransMontaigne Product Services, Inc. bulk gasoline terminal Draft Title V Air Quality Permit submitted by Garrett Clemons, Air Compliance Manager.

Permit Application Summary Form

1. Page 1, General Information – The SIC Code for the facility should be 4226 not 5171 as stated in the Draft.

Division's response: The Standard Industrial Classification (SIC) Code of 4226 is reflective of the "Special warehousing and storage, nec" industrial category. This SIC Code was assigned to this source in the original TV operating permit. This notwithstanding, this facility is a bulk gasoline and petroleum storage facility. The SIC Code for such a plant is 5171, "Petroleum bulk stations and terminals". While the Division has determined that 5171, is an appropriate classification for this plant, the Permit Package Cover Sheets are updated to also include SIC Code 4226, as per this comment and the prior operating permit for this source.

Permit Statement of Basis

2. Page 6, **PERIODIC MONITORING** – The vapor combustion unit (VCU) is located at the Paducah terminal not the Riverway terminal.

Division's response: Comment acknowledged, change made.

Title V Permit

3. Page 7, **Specific Control Equipment Operating Conditions**, (2), (3) and (4) – It is stated in the Draft that certain monitoring will be performed on a daily basis. The facility is not manned 7 days a week. TPSI requests that the permit instead state: *daily monitoring shall be performed during normal working operational hours.*

Division's response: Comment acknowledged, change made with the addition of the following " , or automatically shut down the loading operation in the event of a malfunction." The comment relates to the daily monitoring requirements for the facility's gasoline loading racks' vapor combustion unit (VCU) emissions control system. The draft permit specifies that related daily monitoring shall be performed when gasoline loading is occurring. It was understood that TransMontaigne did not conduct gasoline loading activities each day. Therefore, pursuant to the permit, during the time periods (i.e., days) that no loading activities are taking place, VCU monitoring and recording are not required. It was initially determined that no changes were to be made to the permit due to this comment. However, after consulting with the source on this matter, the source indicated through an addendum to their letter dated June 20, 2006, that gasoline loading takes place at the facility 7 days a week, hence loading operations may take place during periods that TransMontaigne personnel is not present. The permittee has also indicated that the VCU is automated in such a way that loading operations are shut down in the event of a malfunction and TransMontaigne personnel are notified. In light of this clarification of operations the Division has revised the permit as requested by the source.

4. Page 8, Tank 105, description – Tank 105 should be listed as a fixed roof storage tank utilized to store distillate products.

Division's response: Comment acknowledged, change made. Also refer to response to comment 6 below.

5. Page 15, **SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS** – TPSI requests that monthly and consecutive 12-month individual HAP and combined HAP emission rates be removed from the permit. As required, TPSI will maintain monthly and consecutive 12-month throughput records for each product. If the terminal is below throughput permit limits then the terminal will also be below permit HAPs and VOC limits. Therefore, the HAPs record keeping requirement is not needed.

*Division's response: The Division does not concur with the source. The Division acknowledges that product throughput is related to source-wide pollutant emission rates. This notwithstanding, the Division believes that compliance with the respective single and combined HAP emission rate limits rates of **Section D.3.a** must be demonstrated on a continuous (monthly) basis to ensure compliance with the underlying rules (i.e., area source of HAP emissions as defined in 40 CFR 63.2, and non-applicability of 40 CFR 63, Subpart R, *National Emissions Standards for Gasoline Distribution Facilities (Bulk Gasoline Terminals and Pipeline Breakout Stations)*). There is no change to the permit due to this comment.*

6. Page 15, **SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS** – Tank 105 should be removed from 3(a)(2)(c).

Division's response: The permittee was contacted on July 19, 2006 regarding this comment, which also has relevance to comment 4 above. The permittee has clarified that Tank 105 was correctly described as a Fixed Roof Distillate tank in original TV Permit No. V-99-021 issued March 9, 2000. However, during review and issuance of Significant Permit Revision 1 on August 28, 2001, the description of this tank was incorrectly revised to be an Internal Floating Roof Gasoline tank and identification of this tank was moved from Section C of the permit to Section B for plant gasoline storage tanks. The permittee has clarified that the tank has not been modified and the contents of this tank have not changed since issuance of the original TV permit. Since Distillate does not meet the definition of a Petroleum Liquid as defined in 401 KAR 61:050, section 1(3), and as determined by the Division during initial TV permit review, this emission point is moved back to Section C of the permit, as requested by the permittee.

In addition to the above, while responding to this comment, it was determined by the Division that Tank 106 listed in Section C had a capacity conversion error. The capacity for Tank 106 in cubic meters was corrected from 4,611m³ to 2,722 m³.

CREDIBLE EVIDENCE:

This permit contains provisions which require that specific test methods, monitoring or recordkeeping be used as a demonstration of compliance with permit limits. On February 24, 1997, the U.S. EPA promulgated revisions to the following federal regulations: 40 CFR Part 51, Sec. 51.212; 40 CFR Part 52, Sec. 52.12; 40 CFR Part 52, Sec. 52.30; 40 CFR Part 60, Sec. 60.11 and 40 CFR Part 61, Sec. 61.12, that allow the use of credible evidence to establish compliance with applicable requirements. At the issuance of this permit, Kentucky has only adopted the provisions of 40 CFR Part 60, Sec. 60.11 and 40 CFR Part 61, Sec. 61.12 into its air quality regulations.